



To: House Ways and Means Committee Members  
From: Ivy Main, Vice Chair, Sierra Club, Virginia Chapter  
Re: Hearing on Certain Expiring Tax Provisions  
Date: May 4, 2012

The Virginia Chapter of the Sierra Club supports the extension of the Production Tax Credit for wind energy and urges Congress to take immediate action to avoid further job losses in the wind industry related to uncertainty over the PTC.

Although Virginia currently has no wind farms, it holds great promise for wind energy, especially offshore. The National Renewable Energy Laboratory estimates that Virginia has enough offshore wind resources to meet the state's entire energy demand. As a first step, the Bureau of Ocean Energy Management has designated a Wind Energy Area capable of supporting up to 2,400 megawatts of wind power capacity off the coast of Virginia. Eight companies have expressed interest in developing some or all of the lease blocks. Two separate economic impact studies have concluded that the build-out of offshore wind off the coast of Virginia will create an estimated 10,000 career-length jobs and add millions of dollars in economic development.

A number of on-shore wind farms have also been proposed in Virginia. At least two are ready to be developed but have been stalled for economic reasons. In addition to construction jobs and clean, renewable energy, these wind farms would bring much-needed tax dollars for localities in western and southwestern Virginia that have been hard-hit by the recession.

Wind energy is on the way to becoming competitive with fossil fuels; indeed, in some states it already is. This is remarkable when one considers that fossil fuels have large external costs not reflected in their price, including the cost to the public of air and water pollution, greenhouse gas emissions, and health impacts associated with pollution. When these costs are considered, even the most expensive offshore wind projects are cost-competitive today. Since these costs are not currently factored in to what ratepayers pay, however, the federal government should use the PTC to ensure that the wind industry continues to develop and to provide clean, domestic renewable energy.

The PTC has proven to be critical to the development of the American wind industry to date. We urge the Committee to take immediate action to extend it.

Yours truly,

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